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**CITY EMPLOYEE INDICTED FOR LYING TO FEDERAL GRAND JURY IN
HIRING FRAUD PROBE ABOUT HISPANIC DEMOCRATIC ORGANIZATION ROLE**

CHICAGO – A current employee for the City of Chicago Department of Water Management who was also a Southeast Side political coordinator for the Hispanic Democratic Organization (HDO), was charged with perjury for allegedly lying to a federal grand jury in connection with the ongoing investigation of city hiring and promotion fraud. The defendant, **John Resa**, surrendered voluntarily today after his attorney was notified that an arrest warrant was issued with a sealed indictment yesterday.

Resa, 48, of Chicago, was charged with one count of perjury, announced Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois. The indictment was unsealed today when Resa appeared before U.S. Magistrate Judge Geraldine Soat Brown in U.S. District Court.

Mr. Fitzgerald announced the charges together with Robert D. Grant, Special Agent-in-Charge of the Chicago Office of the Federal Bureau of Investigation, James Vanderberg, Special Agent-in-Charge of the U.S. Department of Labor Office of Inspector General; Kenneth T. Laag, Inspector-in-Charge of the U.S. Postal Inspection Service; and Byram Tichenor, Special Agent-in-Charge of the Internal Revenue Service Criminal Investigation Division, all in Chicago.

Resa, currently on disability leave, has been a city employee since 1994. From approximately 1994 through early 2005, he was one of roughly six to eight political coordinators for HDO Southeast, one of three geographic divisions of the large citywide political organization. In his HDO capacity, Resa was responsible for coordinating, overseeing and managing the political activities of as many as 70 individual HDO participants, which was the largest sub-group of HDO Southeast. At its peak, HDO Southeast had approximately 500 participants who performed political campaign work on behalf of HDO-backed candidates for local, state and federal offices, according to the indictment.

The indictment alleges that HDO Southeast was headed by Individual A, then a high-ranking Chicago official, who was one of the leaders and organizers of HDO overall. Individual B, also a city employee and close associate of Individual A, assisted Individual A in coordinating HDO Southeast activities. As a political coordinator, Resa typically received directions from Individuals A or B as to particular political assignments for his participants.

Between the mid-1990s and 2004, HDO participants were told by various HDO leaders, including Individual B and political coordinators, that requests for city job-related benefits – for example, jobs, promotions, overtime and transfers – should be made through the individual's political coordinator, and that such benefits would be sought for those who actively participated in the campaigns of HDO-backed candidates, the indictment alleges. Such requests for city job benefits included seeking entry-level city jobs; promotions to other city positions; increased overtime opportunities; transfers to more desirable work locations; and pay increases and other benefits. On many occasions, individual HDO participants received those city job-related benefits through the actions of high-ranking city officials.

According to the indictment, a federal grand jury has been conducting an investigation into possible criminal violations in connection with hiring and promotion fraud at the city, including the awarding of job-related benefits, through a rigged interview process, in exchange for political activity on behalf of political organizations such as HDO. The hiring and promotion fraud investigation is an outgrowth of the recent investigation of corruption in the city's Hired Truck Program.

On October 19, 2006, Resa was issued a letter of immunity, requiring his "complete, truthful and accurate" testimony before the grand jury. The letter explicitly informed Resa that if the United States Attorney's Office determined that he had violated any provision, or failed to give complete, accurate and truthful information and testimony, then his statements could be used against him in a prosecution for perjury or false statements or other criminal proceedings. Resa, who was represented by an attorney, signed the immunity letter and acknowledged its terms, testified before the grand jury on October 19, 2006.

The indictment alleges that Resa's testimony was false in that:

- on multiple occasions during his tenure as political coordinator, Resa talked with Individual A or Individual B about job-related requests of individual HDO participants;
- on multiple occasions during his tenure as political coordinator, Resa passed on job-related requests of individual HDO participants to Individual A or Individual B;
- on multiple occasions during his tenure as political coordinator, Resa went to Individual A or Individual B and tried to assist individual HDO participants in obtaining job-related benefits; and

- on multiple occasions during his tenure as political coordinator, Resa made efforts on behalf of individual HDO participants in employment related matters with the city, including jobs for career service motor truck driver, among other positions.

In verbatim excerpts of Resa's grand jury testimony contained in the indictment, he was asked whether he had ever talked to Individual A or Individual B about a job-related request on behalf of any HDO participants, and he replied: "No." He was asked: "Never once?" And he replied: "Never once."

He acknowledged that he might have *told* HDO participants that he had passed on their job requests but maintained that, in fact, he never did so. "What's the point of that?" he was asked, to which he replied:

"To keep them going. Excuse my French, bullshit them – keep them coming to campaigns. Once you tell them they ain't nothing in there, they're going to take off on you. And a lot of people come and go, and to keep them around, you got to tell them what they want to hear. And that's how you kept – I'm a salesman, and that's what I do. So I sell myself to them just like they sell themselves for a candidate."

In addition, the following exchange, occurred, according to the indictment:

Q: You also understood that a number of your people received career service motor truck driver jobs over the years, correct?

A: Correct.

Q: And its also your testimony that however they got it, it had absolutely nothing to do with anything you did on their behalf?

A: Correct.

Resa is the 45th defendant charged in the federal investigation involving the city's Hired Truck Program and hiring and promotion fraud. More than 40 have been convicted.

The government is represented by Assistant U.S. Attorneys Julie Ruder, Barry Miller and Patrick Collins.

If convicted, Resa faces a maximum penalty of five years in prison and a \$250,000 fine. The Court, however, would determine the appropriate sentence to be imposed.

The public is reminded that an indictment contains only charges and is not evidence of guilt. The defendant is presumed innocent and is entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

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